THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) the Minister (P and NG) has met the Finance Minister to discuss the financial position of Public Sector Oil Marketing Companies (OMCs) including the quantum of Oil Bonds to be issued to the OMCs *viz.* IOCL, BPCL and HPCL.

(b) The price of Indian Basket of Crude Oil averaged at $ 99.76 per barrel during the month of March, 2008 and $ 79.25 per barrel during 2007-08.

(c) and (d) Pursuant to the discussions between the Petroleum Ministry and the Finance Ministry on the issues relating to the financial position of the Public Sector Oil Marketing Companies (OMCs) including issue of Oil Bonds, Finance Ministry has approved the issue of Oil Bonds worth Rs.35,289.50 crore, *i.e.* 50% (fifty per cent) of the OMCs' under-recoveries of Rs. 70,579 crore for 2007-08. Of these, Oil Bonds worth Rs. 20,333.33 crore have been issued to OMCs for the period April-December 2007 while the balance Oil Bonds of Rs. 14,956.17 crore, for the period January-March 2008, are yet to be issued. For the first quarter of 2008-09 also, the Finance Ministry has approved Oil Bonds of Rs.24,408 crore, to cover 50 per cent of the under-recoveries of OMCs for this period.

Merger of State Bank of Saurashtra with SBI

*59. SHRI SYED AZEEZ PASHA:
SHRI D. RAJA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government has approved the merger of State Bank of Saurashtra (SBS) with the State Bank of India (SBI);

(b) if so, the details thereof and the reasons therefor;

(c) whether the trade unions in the Banking Sector have opposed the merging of subsidiary banks with SBI; and

(d) if so, what are the main concerns of the trade unions and Government's reaction thereto?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) Sub-section (2) of section 35 of the State Bank of India Act, 1955, *inter alia*, provides that the Scheme of acquisition of any banking intitiution by the State Bank of India containing the terms and conditions relating to such acquisition agreed upon by the Central Board of the State Bank and the Directorate and Management of the banking institution concerned and approved by the Reserve Bank shall be submitted to the Central Government for its sanction. In terms of these statutory provisions, the draft Scheme for acquisition of the State Bank of Saurashtra by the State Bank of India, as approved by the respective Boards of both these banks and by the Reserve Bank of India, was submitted to the Government for sanction. Government has sanctioned and notified the said Scheme on 13.08.2008.

(c) and (d) There has been a mixed response to the merger of SBS with SBI and also of the idea of merger of all the Associate Banks with SBI. Government is of the view that any

proposal for consolidation, by way of merger etc. of one public sector bank (PSB) with another PSB, should emanate from the concerned banks with Government playing a supportive role. However, while supporting any merger proposal, Government will keep in view the interests of the stakeholders and employees of merging banks.

Wealth of big companies

*60. SHRI MATILAL SARKAR: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) the names of the ten largest corporate establishments of the country and the value of wealth owned by them, corporate-wise;

(b) the amount of money invested in the country by foreign corporate establishments, name-wise and amount-wise;

(c) how this accumulation of wealth becomes a cause for inflation; and

(d) the remedial measures proposed?

THE MINISTER OF CORPORATE AFFAIRS (SHRI PREM CHAND GUPTA): (a) and (b) The names of the ten largest corporate establishments of the country in terms of turnover is given in the Statement-I (*See* below) and the ten largest instances of foreign direct investment by foreign corporates/other establishments in Indian companies is given in the Statement-II (*See* below).

(c) and (d) Inflation is influenced by a combination of monetary and non-monetary factors and policies in an economy. Accumulation of wealth, in itself, does not have any specific relationship with inflation.

Containment of inflation is high on the Government's agenda. In pursuance of this, Government monitors the price situation on a regula basis. Anti-inflationary policies of the Government include strict fiscal discipline, rationalization of duties of essential items, effective supply demand management of essential commodities through liberal tariff and trade policies and strengthening the public distribution system. The Reserve Bank of India through its monetary policies also contributes to macro-economic management to control inflationary tendencies and pressures while maintaining economic growth.

Statement-I

The names of the ten largest corporate establishments of the country in terms of turnover is as under

Sl. No.	Company Name	Amount (Rs. in crore)
1	2	3
1.	SPT Commodities Private Limited	963516